

**Frequently Asked Questions  
Salary Reserve 2007  
Need Help? – Call (617) 573-1717**

---

- [Who is eligible for the reserve?](#)
  - [What programs are not eligible?](#)
  - [What about Homemakers?](#)
  - [What's covered?](#)
  - [What about the contract number?](#)
  - [How do I determine the percentage of a program purchased by a contract?](#)
  - [What about sub-contractors?](#)
  - [What about partial year contracts?](#)
  - [How will EOHHS allocate the funds?](#)
  - [How is the Salary Reserve monitored?](#)
  - [What does the statute say exactly?](#)
  - [Who else can I call on for help?](#)
- 

## ***Who is eligible for the reserve?***

***Certain employees who earn less than \$40,000 per year working in programs under contract with departments within the Executive Office of Health and Human Services and the Executive Office of Elder Affairs are eligible for Salary Reserve.*** Eligible salaries are calculated on base pay (without overtime). The full time employee's annual salary determines his/her eligibility regardless of the number of hours in your organization's work week.

Part-time employees earning \$21.97 or less per hour are also eligible. The calculation for part time employees is based on a 35 hour work week (1,820 hours in a year) for one full-time employee. Add the total wages to the less than \$40,000 column when completing Required 1, Summary Survey.

***Certain employees who work in human and social services programs contracted for by one of the departments within the Executive Office of Health and Human Services or the Executive Office of Elder Affairs.*** Please note that the statute specifically excludes employees in special education programs, child care programs, programs whose rates are set by the Division of Health Care Finance and Policy ("class rates") and contracts funded exclusively by federal grants. Therefore, these employees should not be included on your surveys.

**Sub-contracted Programs** - Human service contractors who have sub-contracting arrangements to provide services to Commonwealth clients are eligible for funds through this initiative. The primary contractor must apply for funds on behalf of the sub-contractor.

**Vacant Positions** - Vacant positions (as of the date of your payroll closest to July 1, 2006) for which a contractor is actively recruiting are eligible for funding through this initiative.

**The following UFR titles are eligible for Salary Reserve:**

UFR Title #	UFR Titles (for a more complete title description, please refer to the UFR Audit & Preparation Manual)
101	<b>Program Manager</b> - An individual who has overall responsibility for the management, oversight and coordination of a programmatic functional area within or across programs as in the case of "Medical Director", "Residence Director", "Clinical Director", "Education Director", etc.
102	<b>Program Director</b> - An individual who has overall responsibility for the daily operation of one or more individual programs.
103	<b>Assistant Program Director</b> - An individual who reports directly to the Program Director, acts for the Program Director in his/her absence and functions as an adviser/assistant to the Program Director.
104	<b>Supervising Professional</b> - A credentialed professional (physician, psychiatrist, social worker, nurse, etc) whose primary responsibility is the supervision of fellow credentialed professionals in the daily performance of their programmatic functions.
105	<b>Physician</b> - A Board of Registration in Medicine-licensed or Board eligible physician (including all medical specialties, e.g. dentist, podiatrist except psychiatrist # 121) with either an MD or DO degree whose primary responsibility is delivery or supervision of health/medical care to program participants.
106	<b>Physician's Assistant</b> - An individual registered with the Department of Public Health and functioning in that capacity.
107	<b>Registered Nurse</b> -Master's, Nurse Psychiatric Mental Health Specialist, Nurse Practitioner- An individual who possesses a Master's degree in nursing and/or is registered with the Board of Registration in Nursing and is functioning in any of the above capacities.
108	<b>Registered Nurse</b> - An individual who is licensed as a registered nurse by the Board of Registration Nursing (both BSNs and others) and is engaged in nursing duties.
109	<b>Licensed Practical Nurse</b> - An individual licensed as a practical nurse by the Board of Registration in Nursing and is engaged in nursing duties.
110	<b>Pharmacist</b> - An individual licensed by the Board of Registration in Pharmacy and functioning as a pharmacist.
111	<b>Occupational Therapist</b> - An individual registered as an occupational therapist by the Board of Registration in Allied Health Professionals and who provides occupational therapy.
112	<b>Physical Therapist</b> - An individual registered as a physical therapist by the Board of Registration in Allied Health Professionals and who provides physical therapy.
113	<b>Speech/Language Pathologist, Audiologist</b> - An individual registered as a Speech/Language Pathologist or as an Audiologist by the Board of Registration in Speech/Language Pathology and Audiology and provides speech and hearing therapy.
114	<b>Dietitian/Nutritionist</b> - An individual registered as a dietitian by the Commission on Dietetic Registration of the American Dietetic Association or an individual with a Bachelor's or Master's degree in nutrition, who provides nutritional counseling, education, supervision of meal/menu preparation.
115	<b>Special Education Teacher</b> - An individual certified in special education by the Massachusetts Department of Education and working in that capacity.
116	<b>Teacher</b> - an individual certified by the Massachusetts Department of Education, other than special education and working in that capacity.
117	<b>Day Care Director</b> - An individual certified by the Office for Children as a Day Care Director and functioning in that capacity.
118	<b>Day Care Lead Teacher</b> - An individual certified by the Office of Children as a Day Care Lead Teacher and functioning in that capacity.
119	<b>Day Care Teacher</b> - An individual certified by the Office of children as a Day Care Teacher and functioning in that capacity.
120	<b>Day Care Assistant Teacher/Aide</b> - An individual certified by the Office of Children as a Day Care Assistant Teacher/Aide and functioning in that capacity.
121	<b>Psychiatrist</b> - An individual licensed to practice medicine, certified or eligible for certification by the American Board of

	Psychiatry and primarily involved in rendering or direction psychiatric care.
122	<b>Psychologist</b> - Doctorate- An individual holding a doctoral degree in psychology (including behavioral psychologist and neuropsychologist) or a closely related field, registered by the Board of Registration of Psychologist and primarily engaged in providing diagnostic evaluations, psychological counseling/therapy or development and implementation of behavioral treatment plans.
123	<b>Clinician (formerly Psychologist - Master's)</b> - An individual holding a Master's degree in psychology (including behavioral psychologist) or a closely related field and primarily engaged in providing diagnostic evaluations, psychological counseling/therapy or development and implementation of behavioral treatment plans.
124	<b>Social Worker -LICSW</b> - An individual registered as a Licensed Independent Clinical Social Worker by the Board of Registration of Social Workers and primarily engaged in providing diagnostic evaluations, psychological counseling/therapy or development and implementation of behavioral treatment plans.
125	<b>Social Worker-LCSW</b> - An individual registered as a Licensed Certified Social Worker by the Board of Registration of Social Workers and providing social work services.
126	<b>Social Worker - LSW</b> - An individual registered as a Licensed Social Worker by the Board of Registration of Social Workers and providing social work services (including casework/counseling).
127	<b>Licensed Counselor</b> - An individual with at least a Master's degree in counseling or a related field who is licensed by the appropriate Board of Registration and provides counseling services.
128	<b>Certified Vocational Rehabilitation Counselor</b> - An individual certified by the Committee on Accreditation of Rehabilitation Facilities and provides vocational rehabilitation counseling.
129	<b>Certified Alcoholism Counselor, Certified Drug Abuse Counselor, Certified Alcoholism/Drug Abuse Counselor</b> - An individual registered as either an Alcoholism Counselor, Drug Abuse Counselor or both by the Massachusetts Board of Substance Abuse Counselor Certification and who provides counseling services for substance abusers.
130	<b>Counselor</b> - An individual who provides therapeutic or instructive counseling to program clients/service recipients.

## ***What programs are not eligible?***

- Special education programs.
- Child care services.
- Programs whose rates are set by the Division of Health Care Finance and Policy ("class rates" for certain substance abuse, family planning, early intervention, mental health and other services).
- Contracts funded exclusively by federal grants (if you don't know if the contract is funded exclusively by federal funds, please call the applicable department).
- Supportive services when purchased as separate programs, e.g., client transportation and staff training.

## ***What about Homemakers?***

Because of the unique way that homemaker services are procured, the Executive Office of Elder Affairs (EOEA) and specific departments who purchase homemaker services within the Executive Office of Health and Human Services (EOHHS) will provide the data necessary to allocate funds for homemaker services. For homemaker services only, contractors will not complete survey data. However, you should complete the surveys for all other eligible services and/or employees you have under contract with departments within the Executive Office of Health and Human Services and the Executive Office of Elder Affairs.

---

## ***What's covered?***

In addition to the salary increases, the statute authorizes reserve funds to be used for "associated employee-related costs" attributable to increases provided through this initiative. Therefore, contractors will be permitted to use a portion of their allocation (**up to 15%**) to cover the employer portion of payroll and fringe benefit obligations directly associated with the salary increases.

---

## ***What about the contract number?***

As you may know, NewMMARS contract numbers consist of 20 digits. In some cases, the contract number assigned by the department is even longer than 20 digits. We suggest that you select the digits of your contract that will be the most recognizable by the purchasing department. If the original 11 digit contract number will be known to your department, then use that number and fill in the rest of the blanks with zeroes.

---

## ***How do I determine the percentage of a program purchased by a contract?***

The application requires you to enter a percentage of the program that is purchased by the contract. This is necessary in order to determine the total amount of a program's staff payroll which is eligible for an increase.

*For unit rate contracts*, please refer to Attachment 4: Rate Calculation/Maximum Obligation Calculation Page of your contract. Enter the percentage from line 5, Share of Total Capacity Purchased by Contract. If your contract does not contain a budget, please enter the percentage of the program that is purchased by the contract.

*For cost reimbursement contracts*, enter the percentage of the total capacity of the program purchased by the contract.

*For non-maximum obligation contracts*, calculate the percentage by dividing the number of units delivered to the purchaser of this contract by the total number of units delivered to all purchasers during FY 2006 unless you have a reason to believe it will be a different percentage for FY 2007. (Documentation must be available to support a different percentage.)

---

## ***What about sub-contractors?***

If you sub-contract programmatic services with other entities, it is your responsibility to include the employees of these sub-contractors in your survey under the appropriate contract that you have with the department. You may either: (1) roll all figures for the contract into a single entry, or (2) list the information for each sub-contract separately (making separate entries with the same contract number).

---

## ***What about partial year contracts?***

In some instances, you may have a contract with duration of less than one year. In such cases, you should call the department for assistance in completing this survey. In general, contracts that exist as of July 1, 2006 may be included in your survey as long as you prorate the amounts from July 1, 2006 through the end of contract date.

---

## ***How will EOHHS allocate the funds?***

Once EOHHS and departments have reviewed all the salary information we will proceed as follows:

- EOHHS will tally up the total eligible payroll for each contractor and develop an allocation plan.
- The statute requires that the \$28 million reserve be distributed to those employees earning less than \$40,000. As such, \$28 million will be divided by the total eligible payroll of those earning less than \$40,000 to determine the allocation percent.
- Contractors will be required to sign a special Salary Reserve contract governing the use of reserve funds. These amounts will be rolled into individual service contracts in Fiscal Year 2008.
- EOHHS again plans to use the Office of the Comptroller's Ready Payment system to disburse the funds. The first payment, retroactive to July 1, 2006, will be followed by automatic monthly payments.
- Contractors need not search out terminated employees for retroactive payment. Contractors need not give increases to employees whose performance was rated unsatisfactory on their most recent appraisal or who are currently subject to disciplinary action.

---

## ***How is the Salary Reserve monitored?***

Monitoring and oversight of the initiative will take place in a number of ways:

- Contractors will be required to sign a contractual document (special Salary Reserve contract) agreeing to certain conditions on the use of the reserve funds.
- Contractors may be required, if requested by departments, to submit a final allocation plan to the individual departments.
- EOHHS, all departments under EOHHS and the Office of the State Auditor will have authority to audit contractors' worksheet data and payroll records to ensure accuracy of contractor submissions and compliance with the terms of this initiative.
- Compliance with the terms and conditions of this initiative will be reviewed by the contractor's independent auditor as part of the annual audit process.

---

## ***What does the statute say exactly?***

1599-6901 For a reserve to adjust the wages, compensation or salary and associated employee-related costs to personnel earning less than \$40,000 in annual compensation who are employed by private human service providers that deliver human and social services under contracts with departments within the executive office of health and human services and the executive office of elder affairs; provided, that home care workers shall be eligible for funding from this appropriation; provided further, that the secretary of administration and finance may allocate the funds appropriated in this item to the departments in order to implement this initiative; provided further, that the executive office of health and human services shall condition the expenditure of the reserve upon assurances that the funds shall be used solely for the purposes of adjustments to wages, compensation or salary; provided further, that not later than February 15, 2007 the executive office shall submit to the house and senate committees on ways and means a report delineating the number of employees, by job title and average salary, receiving the adjustment in fiscal year 2007 and the average percentage adjustment funded by this reserve; provided further, that the report shall also include, for each contract scheduled to receive any allocation from this item in each such department, the total payroll expenditures in each contract for the categories of personnel scheduled to receive the adjustments; provided further, that no funds from this item shall be allocated to special education programs under chapter 71B of the General Laws, contracts for early education and care services or programs for which payment rates are negotiated and paid

as class rates as established by the division of health care finance and policy; provided further, that no funds shall be allocated from this item to contracts funded exclusively by federal grants as delineated in section 2D; provided further, that the total fiscal year 2007 cost of salary adjustments and any other associated employee costs authorized thereunder shall not exceed \$28,000,000; provided further, that the executive office shall submit an allocation schedule to the house and senate committees on ways and means not less than 30 days after disbursement of funds; provided further, that the annualized cost of the adjustments in fiscal year 2008 shall not exceed the amount appropriated herein; and provided further, that the raises provided through this item shall be in addition to any already agreed to or collectively bargained for pay increases.....\$28,000,000

---

### ***Who else can I call on for help?***

If you need help, please call the Salary Reserve Hotline at (617) 573-1717 or send an email to [possalary.reserve@state.ma.us](mailto:possalary.reserve@state.ma.us).